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The Effect of Dynamic Capabilities on High Performance: An Analytical Study of Administrative Units in Anbar Governorate

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Abstract:

The present study analyses the impact of dynamic capabilities on the high performance that can be developed in administrative units under the Anbar Governorate of Iraq. Sensing, learning, coordinating, and integrating capabilities are dynamic capabilities that actually represent the organization's capacity to adjust itself to changing environments and its sustainable growth. High-performance organization could be reflected through continuous improvement, quality management, excellence in human resources, orientation, and commitment, considering it the measures of organizational effectiveness in reaching strategic objectives.

Research shows that the dynamic capabilities and high performance of the administrative units studied were at moderate levels. The results of the findings disclosed the existence of a significant positive relationship between dynamic capabilities and high performance, since it was revealed that dynamic capabilities such as proactive sensing of opportunities and challenges, coordinated efforts, and continuous learning directly improve organizational performance outcomes.

Along this line, therefore, this highlights the importance of developing dynamic capabilities by focusing administrative units' attention on training, resource integration, innovative practices, and the like. Exploring some of the issues concerning these unit's limited coordination and learning will improve organizational adaptability through better resource utilization and improved service delivery to their local communities, thereby enhancing high performance.

Keywords: Dynamic capabilities, high performance, administrative units, Organizational Adaptability, Resource Integration.

1. Introduction:

The world today faces many crises and risks that have affected local communities as a result of the weak performance of local governments in facing these challenges. (Desjardins et al., 2023). Outstanding performance will only be achieved through the presence of organizational capabilities that move quickly to integrate and restructure the building of internal and external competencies to confront changing environments (Hugh et al., 2022). The most important of these are dynamic capabilities, as they are a vibrant research field of effectiveness and achievement, so they are one of the most influential theoretical lenses in contemporary management studies (Stenger et al., 2022). For an organization to achieve a high level of performance, it must consider the analysis of the factors of the internal and external environment surrounding it to know the level of its capabilities (Ahmadabadi and Budagh, 2022). Knowing the level of capabilities depends on how the level of organizational performance is measured (Gerancol, 2020). Al-Marshadi and Al-Dulaimi (2023) indicated that a high level of high performance is achieved when the organization has a supportive culture to make employees take the necessary responsibility to meet the needs of beneficiaries in appropriate ways. Most high-performing organizations tend to have a good image and performance (Rujira et al., 2020). High levels of performance in the organization can be demonstrated through complete clarity in the organization's work priorities, in addition to the presence of a strong and cohesive leadership team (Awid & Shareef, 2023). (LIANG, n.d.) defined high performance as the results resulting from activities that involve the strategic management process and have the potential to raise the level of organizational performance. (Talib & Musaheb, 2024) defined high performance as the ability of organizations to achieve consistently high and superior results by maximizing the use of resources, improving processes, and promoting a culture of excellence and continuous improvement. The American Institute for Quality describes that the quality of local government performance in implementing public policies depends primarily on four components: the rule of law, the fight against corruption, bureaucracy, the strength of electoral institutions through democracy, and the quality of government institutions (Rodriguez-Bos & Garcilazo, 2018). The organization's possession of Dynamic Capabilities (DCs) may ensure the achievement of adaptation and flexibility in accommodating complex and rapidly changing environments (Zahra et al., 2022a). Based on the above, dynamic capabilities are defined as the organization's ability to develop, expand, or purposefully modify its resource base (Vu, 2020). Therefore, DCs help organizations move from static environments to dynamic/uncertain environments and face their challenges (Chari et al., 2022). DCs dates back to an article written by Teece and Pisano (1994) (Pitelis & Wang, 2023). In the context of the controversy that over DC (Wilhelm et al., 2022), DCs are also the organization's ability to leverage its unique resources and processes to modify, integrate, and renew the existing stock of organizational resources (Core, 2022). Understanding the dynamics of organizational adaptation is a major challenge for both strategic organization scholars and practitioners (Keller et al., 2022). DCs are important for ensuring organizational adaptation and sustainable growth in complex and changing environments (Zahraa et al., 2022b). The theoretical framework of DCs is currently one of the most widely used frameworks in the field of strategy, and despite efforts to enhance and refine DCs, many tensions and contradictions remain (Carvalho, 2023). The research problem emerges through the challenges facing the management of local units in achieving high levels of performance in all basic service areas needed by the local population. The most important of these challenges is covering the needs of the population in terms of infrastructure for municipal services, health, education, electricity, and water services. In addition, the spread of epidemics and diseases and the shortage of food resources, necessitated the need for DCs that are distinguished from ordinary capabilities in terms of speed, accuracy, and process control and professionalism in the quality of achievement. The research problem is crystallized through the following questions. The basic problem of the study was crystallized through the following questions:

Q1: What is the level of dynamic capabilities in local units?
Q2: What is the level of interest of local officials and leaders in the importance of high performance of local units?
Q3: Is there a significant impact of the dimensions of dynamic capabilities on high performance in its dimensions? The research gains its importance because it deals with the subject of high performance, which is extremely important as a variable that responds to the dimensions of the DCs of local units, and motivates those units to pay attention to these topics that have a direct impact on the lives of residents, in addition to the fact that these topics have not received much attention in research in the Arab world in general and Iraq in particular. The research will be an intellectual launch in finding possible solutions to real problems in the level of performance of local units.

The main objective of the study is to reveal the extent of the impact of the independent variable DC in achieving the high-performance variable and to evaluate the extent to which local officials are aware of the importance of the study variables to enhance the process of achieving high performance in their administrative units. The dimensions of the independent variable DC were formed according to the scale (Mhaibes, 2018). Four dimensions are (sensing ability, learning ability, coordination ability, and integration ability) with the use of high performance as a responsive variable with its dimensions (continuous improvement, management quality, human resources quality, openness and effective orientation, and long-term commitment) measured by researchers (Waal, 2021). & (Iyanda, et.al, 2021) This study has a scientific value related to human resources management and organization theory represented by the capabilities of employees of administrative units, and it can have positive effects on administrative units discovering their DCs and the possibility of exploiting them to invest opportunities and confront economic and social risks and crises. It also constitutes a theoretical framework to bridge the knowledge gap of theoretical concepts that reflect the principles and foundations of the research variables. Among the most prominent results reached by the researchers: Studying the effective and important role of DC dynamic capabilities. And revealing their impact on the HP variable in its dimensions. Based on what was presented in the introduction to the study, the second section is a review of the theoretical literature, and the third section contains the research methodology, the size of the community, the research sample, and the methods of collecting and analyzing data from the research field. The fourth section reviews the research results, and the fifth section discusses the research results and conclusions.

2. Literature Review and Hypothesis Development:

The contribution of DCs to high organizational performance is still unclear. Based on a review of several kinds of literatures related to theoretical and quantitative articles, the purpose is to evaluate the relationship of DCs to high organizational performance. Therefore, in this section of the research, we review some previous studies that addressed the research variables from different angles, including the study of (Hsu, C., 2010) entitled "The Impact of DCs on Performance in the High-Tech Industry: The moderating roles of governance and competitive position". It was conducted on 242 high-tech companies from 2001 to 2007. The results show that the impact of DCs of R&D and production on performance is positive. We also find that governance positively moderates the impact of DCs on performance. In the study of (Protogerou, et al., 2012) entitled DCs and their indirect impact on firm performance, the research sample included data on 271 manufacturing companies in Greece. The study results indicate that DCs increase the quality of operational performance of manufacturing operations and the speed of facing environmental change is linked to the high ability to sense and proactively prepare for change. The study of (Nedzinskas, et al. 2013) also indicated the impact of DCs of small and medium-sized enterprises on organizational performance. A quantitative survey was conducted in the small and medium-sized enterprises sector in Lithuania. A sample of 360 small and medium-sized enterprises was analyzed.

The results indicate that DCs have positive effects on relative non-financial organizational performance and that organizational rigidity mitigates DCs and relative organizational performance. On the other hand, (Donkor, 2018) discussed in his study entitled "Creative Capability, Strategic Objectives and Financial Performance of Small and Medium-sized Enterprises". The results showed that there is an impact of innovative capabilities in achieving financial performance, which leads to expansion and growth in the size of productivity, and multiple sources of revenue. In the same context, the study (Eikelenboom, & de Jong, 2019) addressed the impact of integrative DCs on the social, environmental, and economic performance of small and medium-sized enterprises. This study is among the first studies to examine this impact and uses unique survey data from 297 small and medium-sized enterprises in the Netherlands. The empirical results highlight the importance of external integrative DCs for all three pillars of sustainability performance in small and medium-sized enterprises. The study of (Al-Hawary & Al-Syasneh, 2020) also confirmed the impact of dynamic strategic capabilities on strategic entrepreneurship in light of outsourcing to five-star hotels in Jordan. A sample of 186 managers was selected, and the results indicate that DCs have a significant impact on strategic entrepreneurship through innovation functions, enhancing the role of knowledge management, research and development activities, and employee training. This is confirmed by the study of (Azzam, et al. ,2023) entitled "The Impact of Dynamic Capabilities on Competitive Performance: A Moderate Mediation Model of Entrepreneurial Orientation and Digital Leadership". It was conducted on a sample of 102 managers in business companies in Jordan. The results showed that DCs contribute effectively to developing the competitive performance of entrepreneurial businesses in public and private sector organizations. In the context of focusing on the topic of high performance, the study of (Saad & Samar ,2013) entitled developing high performance practices to achieve organizational effectiveness as a conceptual framework focused on the principles of the high-performance work system represented in: (shared information, knowledge development, linking performance, and reward to equality) and its impact on organizations. As a result, change leaders take it upon themselves to redirect their organizations and shift their tension from revenue monitoring to customer monitoring, increasing productivity towards the process of continuous improvement, and from achieving short-term financial goals towards employee satisfaction. (AL-joufi, & Amer ,2021) confirmed in a study entitled "Perceived Organizational Support and Its Impact on High Performance: An Analytical Study in the Colleges of the University of Baghdad". A purposive sample of 70 individuals from the senior leadership of the colleges was selected, represented by (deans, assistant deans, and department heads). The research reached the most important results, which are that high performance is a result of organizational support and the perceived support in its dimensions is influential and its presence will contribute to generating distinguished high performance. While (Songkajorn, et al. 2022) examined the role of Organizational Strategic Intuition (OSI) and its relationships with knowledge-based DCs (KBDCs) and the digital transformation of High-Performance Organizations (HPOs). A sample of 163 CEOs and engineers from various companies in the auto parts industry were used. The results of this study indicated that organizational strategic intuition, one of the dimensions of DCs in the current research, had a positive impact on the high performance of the researched organizations.

In addition to the above studies, DCs contribute more to performance in developing economies than in advanced economies. Because DCs allow the company to "develop advanced knowledge-intensive products, paving the way for their rapid entry into the market." (Fainshmidt, et al. 2016). in the field of local administration work, a study (Al-Rai and Wahab, 2023) entitled "The Impact of High-Performance Work Systems on Work Participation" was shown. The information was collected through a questionnaire distributed to 374 individuals working in local administration units in Dakahlia Governorate. The study concluded that high-performance work systems enhance work participation among local administration units.

Based on the above, we put forward the following main hypothesis: There is a significant impact of the DCs variable and its dimensions on the high performance of administrative units in Anbar Governorate, and the following sub-hypotheses emerge from it:

H1: There is a significant effect of sensing ability on high performance and its dimensions for administrative units.
H2: There is a significant effect of learning ability on high performance and its dimensions for administrative units.
H3: There is a significant effect of coordination ability on high performance and its dimensions for administrative units.
H4: There is a significant effect of integration ability on high performance and its dimensions for administrative units.

DCs focus on the dynamic element that represents the creative movement and development of new strategies faster than environmental change (Kaur, & Mehta, 2016). It also means the ability to integrate, build and reshape competencies internally, to deal with rapidly changing environments (Teece, D, 2023). Researchers have relied on four basic dimensions of dynamic capabilities, which are:

1- **Sensing capacity**: In environments of rapid technological change, it is difficult to predict and discern future development paths, therefore, it is important for organizations to constantly scan, search for and explore opportunities through new technologies (Zhou, et.al.,2019). Sensing involves investing in research activity and exploring and reviewing technological possibilities. Research to improve organizational innovation Therefore, sensing capability may lead to more technological innovations in the organization (Yam et al., 2011).

2- **Learning capacity**: is the ability of the organization to acquire technical and professional knowledge to develop innovations and solutions to its current problems positively. It requires the existence of organizational structures that facilitate appropriate lines of communication and allow the adoption of the knowledge that has been developed. Akbar (Johara, 2018). Learning capacity is a set of ideas that are shared in the workplace, to develop methods and ways of accomplishing work with high quality (Rehman & Saeed, 2015).

3- **Integration capability**: is the knowledge integration capability that enables a company to develop new and value-enhancing service solutions that meet customer/client requirements. The presence of key business decision makers is a prerequisite for this process. (Salunke, et.al.,2019). Integration capability includes three processes: (1) information exchange, (2) information analysis, and (3) adapting the supply chain to deal with new realities (Vanpoucke, et.al.,2014).

4- **Coordination capability:** is critical to ensure that the parties involved share an overall goal and know their roles, activities, and interdependencies (Leong, et.al., 2024). Coordination capability relates to the organization's ability to coordinate and deploy its tasks, resources and activities in new operational capacities. Coordination capability includes allocating resources to a task, assigning the right person to the right job, identifying complementarities and synergies between tasks and resources, as well as organizing group activities (Aminu, & Mahmood, 2015).

As for the concept of the responsive variable (high performance), it is a quantitative and qualitative evaluation system that includes standards and indicators that require high proactive efforts in accuracy and speed of implementation and qualitative financial and material resources through which the level of capabilities and potential of organizational management is measured (Davis, 2021: 15). The researchers relied on the dimensions that were measured before (Waal.et.al., 2020).

1- **Continuous improvement:** The phrase "continuous improvement" is associated with a variety of organizational developments including the adoption of "lean improvement." (Singh, & Singh, 2015). The importance of continuous improvement in the business environment has arisen from three main phenomena: changes in the business environment, the emergence of new management systems, and the importance of quality management itself. (Sanchez, & Blanco, 2014).

2- **Quality of management:** Management quality is defined as the ability to anticipate and meet the needs of employees, taking into account the needs and desires of other stakeholders. It is a set of characteristics that management possesses to achieve performance excellence (Salimova et al., 2020: 486).

3- Effective orientation: Management openness is a behavioral concept that refers to the extent to which leaders interact with ideas, suggestions, and contributions provided by individuals working in the organization in a developmental and motivational manner, especially since this has a close relationship with supporting the employee's voice, and thus contributing to building psychological safety, emotional commitment, and self-confidence, to improve the work environment (De Waal, 2010).

4- Quality human resources are the professional and skilled human resources in the work who have the knowledge and experience to face simple and complex challenges and problems. Professional human resources can solve problems calmly and fairly; (2) have effective oral and written communication skills; (3) be disciplined and able to manage time; and (4) be trustworthy to grant their credibility (Sinambela, et al.,2022**).**

Long-term commitment is more important than short-term gains. This long-term commitment applies to all stakeholders in the organization – not just shareholders but also employees, suppliers, customers, and society as a whole. The organization continually seeks to enhance customer value creation by identifying what customers want, understanding their values, building excellent relationships with them, communicating directly with them, engaging them, responding to them, and focusing on continuously enhancing customer value. (Arshad, et.al.,2020).

3. Methodology:

3.1 Society and Sample Research:

The research community included all administrative units in Anbar Governorate. A non-random, intentional sample was selected from the heads of administrative units and department directors, numbering 384 officials in the districts and sub-districts, numbering 30 administrative units consisting of 12 district governors and 18 sub-district directorates included in the study. 155 questionnaires were distributed to them, 149 valid questionnaires were retrieved for statistical analysis, and the remaining six questionnaires were not retrieved.

3.2 The research model:

The hypothetical research plan shows the research variables and their dimensions and understanding the relationships of correlation and influence between them, as it represents (strategic cooperation) as a dependent variable with its sub-dimensions, while the responding variable is (high performance) with its sub-dimensions, and Figure 1 shows the main variables, and their sub-dimensions as follows.

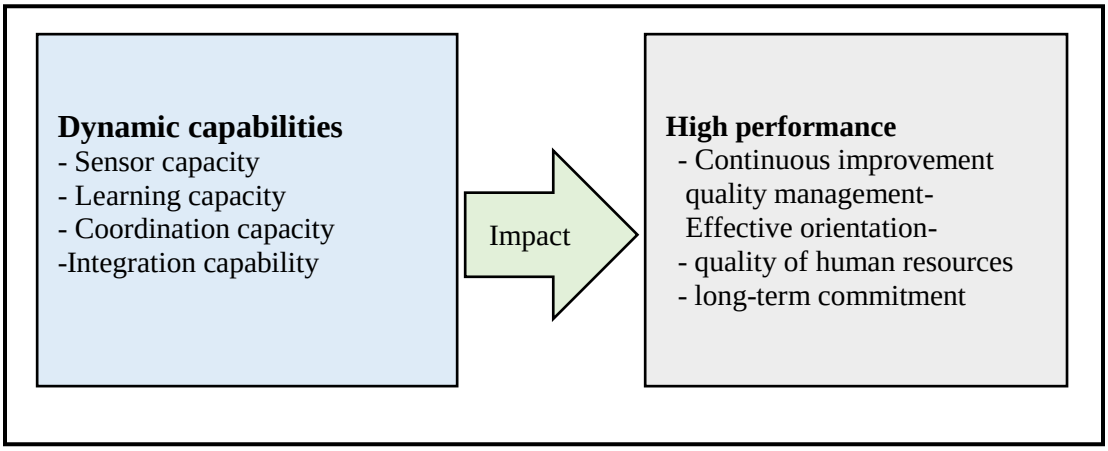

Figure 2: The research model
Source: Researchers' preparation

3.3 Research tools and methods:

Researchers used identification as the main tool for collecting data according to the Likert quinquennial five, being the most commonly used measure in the field of administrative and social sciences, and a dimension model and items related to the autonomous variable DCs were built. The total number of 19 items by (Aminu, & Mahmood, 2015) & (Mhaibes, 2018). While dimensions of the dependent variable high performance. It has 20 items according to (Waal.et.al., 2020). Table 2 shows this. The analytical descriptive curriculum was followed through the measures of centralization and statistical package of the Program (SPSS) to draw conclusions and know the levels of relationship and the effect between research variables.

Table 1: Survey scale, variables and dimensions

Variables	Dimensions	Items	The reference
DC	Sensor capacity	4	(Mhaibes, 2018)& (Aminu&Mahmood, 2015)
	Learning capacity	5	
	Coordination capacity	5	
	Integration capability	5	
HP	Continuous improvement	4	(Waal,et.al. 2020)
	quality management	4	
	Effective orientation	4	
	quality of human resources	4	
	long-term commitment	4	

Source : Researchers' preparation.

The field study was conducted within the administrative boundaries of the governorate of Anbar-Iraq, and covered all administrative units of issue and aspect, continued field follow-up, review of records and documentation, and distribution of the questionnaire from 1/6 to 30/8/2024 to collect data to achieve research objectives.

4. Results:

Descriptive Statistics:

1. The Description and Diagnosis of the Dynamic Capabilities Variable:

Overall, it was found that the dynamic capabilities variable had a weighted mean value of 3.208 and was at a moderate level according to the weights of the relative categories of the arithmetic means in Table 3, with a standard deviation of 0.320). This results in a relative coefficient of variation of (9.96%) and a relative importance of 64.16%. Naturally, this confirms the sample's agreement on the dimension's content at a moderate level within the local units of Anbar Governorate, the study sample.

"It is evident from Table 2 that the ranking of the sub-dimensions of the dynamic capabilities variable was as follows: **integration capability, learning capability, coordination capability, and sensing capability** based on the responses from the sample in the local units of Anbar Governorate, the study sample."

Table 2: Descriptive for the Dynamic Capabilities Variable

#	Dimensions	Weighted Mean	Standard Deviation	Coefficient of variation %	Relative importance %	Ranking priority
1	Sensing capacity	3.183	0.437	13.71	63.66	4
2	Learning capacity	3.203	0.346	10.81	64.06	2
3	Integration capacity	3.254	0.361	11.11	65.08	1
4	Coordination capacity	3.193	0.388	12.15	63.86	3
Weighted Overall Mean of the Dynamic capacity Variable		3.208	0.320	9.96	64.16	-

Source: Prepared by the researchers based on the outputs of Microsoft Excel (SPSS).

The arrangement of the sub-dimensions of the dynamic capabilities variable at the level of local units in Anbar Governorate, the sample of the study, can be depicted in a graphical form based on their resulting relative importance, as in Figure 2.

Table 3: Weights of relative categories for arithmetic means for descriptive analysis

Category Length	Availability Level
11.80 – 1	Very low
2.60 -1.81	Low
3.40 – 2.61	Moderate
4.20 – 3.41	High
5.00 – 4.21	Very High

Source: Salih, M. A. & Salih, R. M. (2021). The Impact of Paternalistic Leadership Practices on the Employees' Voice Behavior. Academy of Strategic Management Journal 20(2S), 1-21

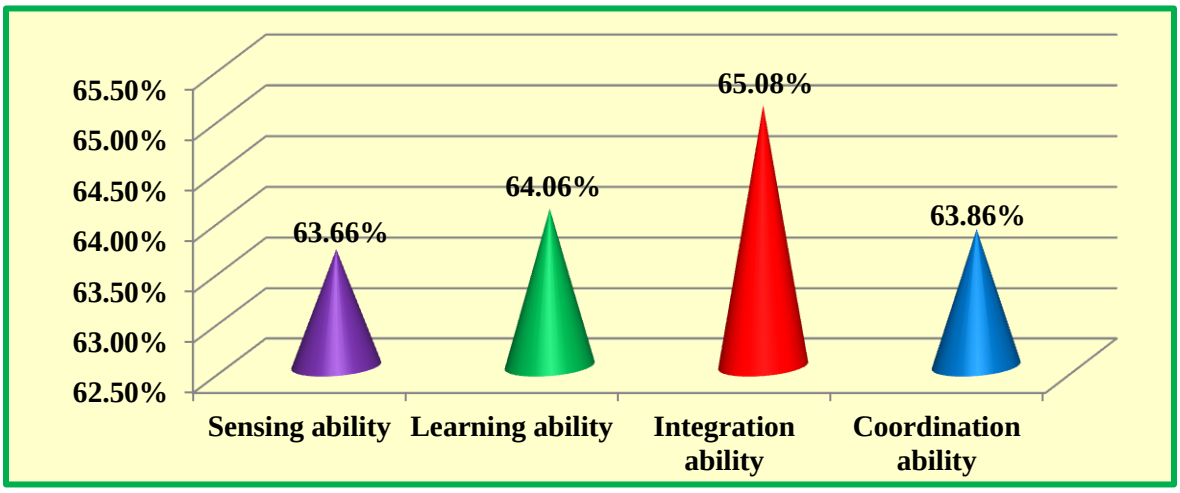

Figure 2: The graphical form of the arrangement of the dimensions of dynamic capabilities
Source: Output of Microsoft Excel V. 2013

2. The Description and Diagnosis of the High-Performance Variable:

Overall, it has become evident that the high-performance variable has achieved a weighted average of 3.285, indicating a moderate level, with a deviation of 0.261. This results in a coefficient of variation of 7.94% and a relative importance of 65.7%. This confirms the consensus on the dimension being at a moderate level in the local units of the Al-Anbar Governorate of the study sample. "It is clear from Table 4 that the ranking of the sub-dimensions of the high-performance variable is as follows: (**quality of management, quality of human resources, long-term commitment, emotional involvement, and continuous improvement)**, based on the responses from the sample in the local units of the Al-Anbar Governorate of the study sample.

Table 4: Descriptive of the High Performance Variable

Seq.	Dimensions	Weighted Mean	Standard Deviation	Coefficient of variation %	Relative importance %	Ranking priority
1	Continual improvement	3.208	0.385	12.00	64.16	5
2	Quality of management	3.374	0.395	11.70	67.48	1
3	Emotion and effective attitude	3.25	0.428	13.17	65	4
4	Human resources quality	3.3	0.364	11.03	66	2
5	Long term commitment	3.292	0.405	12.31	65.84	3
The weighted overall mean for the high-performance variable		3.285	0.261	7.94	65.7	-

Source: Prepared by the researchers based on the outputs of Microsoft Excel (SPSS) programs.

The arrangement of the sub-dimensions of the high-performance variable at the level of local units in Anbar Governorate, the study sample, can be depicted in a graphical form based on their resulting relative importance, as in Figure 3.

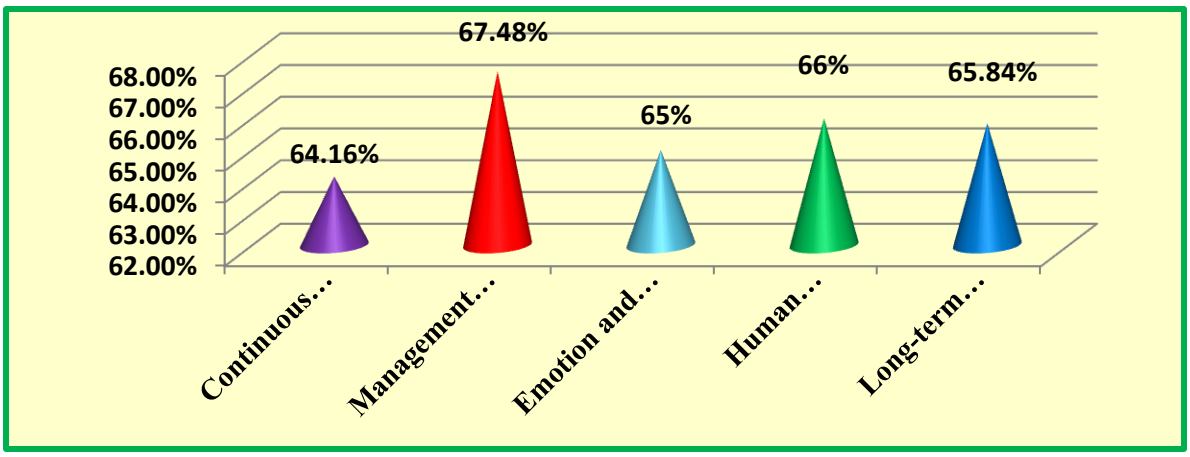

Figure 3: The graphical form of arranging the dimensions of high performance
Source: The output of Microsoft Excel V. 2013

1. Testing the first main hypothesis: There is a significant effect of the dynamic capabilities and their dimensions on high performance:

Figure 4 shows that there is a significant effect of the dynamic capability variable on high performance, as it is clear that the estimated value of the standard parameter (the standard influence factor) reached 0.62. This means that the dynamic capabilities variable affects the high-performance variable by 62%. At the level of the local units of the study sample, this means that the variable of high performance will increase by 62% if attention to dynamic capabilities increases by one unit. We also note that the value of the impact factor is significant because the value of the Critical Ratio (C.R.) is shown in Table 5. The amount of 13.465 is significant at the level of significance (P-Value) shown in the same table. As is clear from Figure 4, the value of the interpretation factor (R^2) reached 0.38. This means that of the changes that occur in the high-performance variable 38% of it are due to changing capabilities. The dynamics and the remaining percentage (62%) are due to other variables not included in the study model. This result indicates that there is a significant effect of dynamic capabilities on high performance at the level of the local units in the study sample, based on what was mentioned above, the first main hypothesis can be accepted.

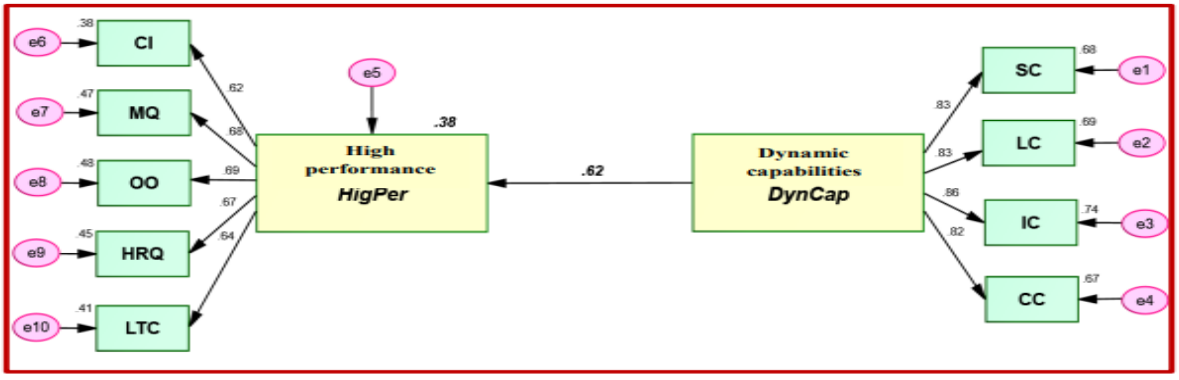

Figure 4: The effect of strategic cooperation of local units on high performance
Source: Amos V.25 program outputs

Table 5: Paths and parameters for testing the effect of strategic cooperation of local units on high performance

Paths			Standard Regression Weights	Nonparametric Estimation	Standard Error	Critical Ratio	Significant Ratio
High performance	<---	Dynamic capabilities	.616	.504	.037	13.465	***
SC	<---	Dynamic capabilities	.826	.983	.039	25.226	***
CC	<---	Dynamic capabilities	.819	.994	.040	24.608	***
IC	<---	Dynamic capabilities	.859	1.138	.039	28.895	***
LC	<---	Dynamic capabilities	.833	.885	.034	25.898	***
CI	<---	High performance	.615	.906	.067	13.443	***
OO	<---	High performance	.690	1.138	.069	16.415	***
MQ	<---	High performance	.683	1.031	.064	16.106	***
LTC	<---	High performance	.640	.991	.069	14.373	***
HRQ	<---	High performance	.671	.935	.060	15.610	***

Source: "Amos V.25" program output.

"Based on the above, it is possible to test the sub-hypotheses of influence emanating from the first main hypothesis, as follows:"

A. Testing the first sub-hypothesis: There is a significant effect of the sensing ability dimension on high performance.

Figure 5 shows the existence of a significant effect of the sensing ability dimension on high performance, as we note that the value of the standard impact coefficient reached (0.14), which means that the sensing ability dimension affects the high-performance variable by 14% at the level of the local units of the study sample. This means that changing one unit of deviation from the sensing ability dimension in the local units of the study sample will lead to a change in high performance by 14%. This value is significant because the value of the critical ratio (C.R.) is shown in Table 6 amounting to 2.196 is significant at a significant level of 0.028.

"In light of the above, the first sub-hypothesis arising from the first main hypothesis is accepted."

B. Testing the second sub-hypothesis: (There is a significant effect of the learning ability dimension on high performance).

Figure 5 shows the existence of a significant effect of the learning ability dimension on high performance, as we note that the value of the standard effect coefficient reached (0.17), which means that the learning ability dimension affects the high-performance variable by (17%) at the level of the local units of the study sample. This means that changing one unit of deviation from the learning ability dimension in the local units of the study sample will lead to a change in high performance by (17%). This value is significant because the value of the critical ratio (C.R.) is shown in Table 6 amounting to 2.510 is significant at a significant level of 0.012."

"In light of the above, the second sub-hypothesis arising from the first main hypothesis is accepted."

C. Testing the third sub-hypothesis: There is a significant effect of the integration ability dimension on high performance.

Figure 5 shows the existence of a significant effect of the integration capability dimension on high performance, as we note that the value of the standard impact coefficient reached 0.23, which means that the integration capability affects the high-performance variable by 23% at the level of the local units of the study sample. This means that changing one unit of deviation from the integration capability dimension in the local units of the study sample will lead to a change in high performance by 23%. This value is significant because the value of the critical ratio (C.R.) is shown in Table 6 amounting to 3.534 is significant at a significant level of 0.000.
"In light of the above, the third sub-hypothesis arising from the first main hypothesis is accepted."

D. Testing the fourth sub-hypothesis: There is a significant effect of the coordination capacity dimension on high performance.

Figure 5 shows the existence of a significant effect of the coordination ability dimension on high performance, as we note that the value of the standard impact coefficient reached (0.20), which means that the coordination ability dimension affects the high-performance variable by 20% at the level of the local units of the study sample. This means that changing one unit of deviation from the coordination ability dimension in the local units of the study sample will lead to a change in high performance by 20%. This value is significant because the value of the critical ratio (C.R.) is shown in Table 6 amounting to 3.222 is significant at a significant level of 0.001."
"In light of the above, the fourth sub-hypothesis arising from the first main hypothesis is accepted."

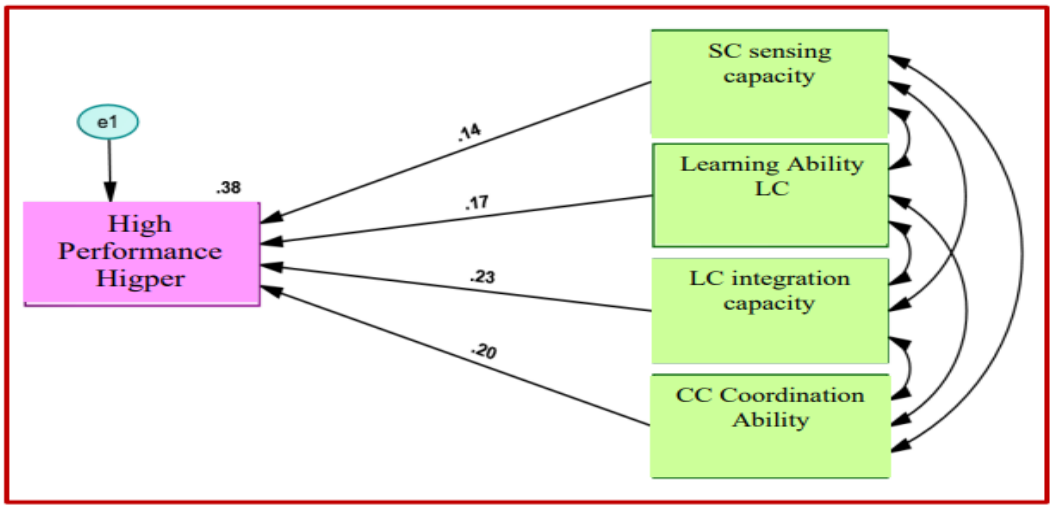

Figure 5: The effect of dynamic capabilities dimensions on the high-performance dimension
Source: Amos V.25 program outputs

Table 6: Paths and parameters of testing the effect of dynamic capabilities dimensions on high performance

Paths			Standard Regression Weights	Nonparametric Estimation	Standard Error	Critical Ratio	Significant Ratio
High perfor-mance	<---	Sensing capacity	.139	.096	.044	2.196	.028
High perfor-mance	<---	Learning capacity	.166	.127	.051	2.510	.012
High perfor-mance	<---	Integration capacity	.233	.144	.041	3.534	***
High perfor-mance	<---	Coordinati on capacity	.199	.134	.042	3.222	.001

Source: Amos V.25 program output.

Conclusions :

The results of the descriptive analysis of the research sample's answers showed their average agreement with the dependent variable, dynamic capability (DC), with its dimensions (SC, LC, CC, and IC), with the sample's responses tending towards agreeing with an average estimate of the dimensions of High Performance (HP) with its dimensions (CI, MQ, OAO, QHR, and LTQ), which confirms the importance of the research variables and its dimensions in the activities and functions of local units. The results of the analysis of the main hypothesis and its sub-hypotheses also confirm the existence of a significant effect of dynamic capabilities on the variable of high performance. These results confirm the study (Protogerou et al., 2012), which revealed the significant effect of the dynamic capability model on organizational performance in general, through data on 271 manufacturing companies in Greece. The results of the study showed that dynamic capabilities have a positive significant effect on financial performance, especially about the effect of creative capabilities on expansion, growth, multiple production lines, and multiple sources of revenue. In the field of local governments, the study was referred to (Hlynsdóttir's 2019) to assess the administrative capacity of Icelandic local governments by evaluating the level of expertise in planning, education, and social service tasks.

The results showed that local and municipal units with a population of more than 3,000 citizens may have more expertise and skills than smaller local units, and the use of cooperation between these local units improves learning capacity, which contributes to improve performance. In a study conducted by (Garrido et al., 2020), the results statistically indicated that the role played by the sensory dimension and environmental sensing improves the investment of available resources and the achievement of economic growth in a highly competitive and changing environment. The study of (Al-Hawari and Al-Sayasneh, 2020) indicated that there is an impact of dynamic capabilities on strategic planning within public organizations through technical expertise and skills. In addition, the study of (Ali et al., 2024) to know how to evaluate dynamic capability and creative performance in the future. The inductive approach was used through studies reviewing the research variables, and the study concluded the role of the various components of dynamic capability and the work environment as influential factors in achieving creative performance. These results confirm the validity of the results of our current research. Research provides convincing support for the importance of dynamic capacity over time, thereby enhancing innovation's performance. Its main results are that dynamic capabilities with their dimensions (sensing, learning, acquisition, and formation) have a moral impact on strategic entrepreneurship. This is confirmed by the study of (Azzam et al., 2023) which are resulted in the

positive impact of dynamic capabilities on the development of competitive performance of entrepreneurial work in public and private sector organizations.

Thus, the current study has been characterized by the disclosure of the level of impact of dynamic capabilities in the high performance of local administrative units, which are regarded as the legal representative of public administration providing public benefit to all citizens and even businesses operating in the business sector.

The researchers conclude that administrative units focus on the ability to integrate in their quest to enhance high performance through task and job sharing, completion of job specialization with the required technical and artistic skills, and expansion of the required inputs. This is due to the level of learning, which is no less important than integration. Self-learning abilities facilitate scientific research and expand the ways of obtaining new knowledge and sharing it among workers, improving the process of obtaining scrap with high quality and distinction. The ability to coordinate is evident through the compatibility between the experiences possessed by employees and the activities they practice. The local units rely on flexible work methods that facilitate the task of completing activities well. They also work to practice environmental sensing by reviewing environmental changes, identifying opportunities and risks, and anticipating their occurrence proactively. This led to an average level of high performance in general. Thus, the results confirmed the existence of a real problem for research and it was highlighted through previous studies, and finding practical solutions by proposing increasing dynamic capabilities in all their dimensions through training and development processes for their human resources and increasing the volume of local innovations and expanding the scope of relations and exchanging experiences and skills with neighboring local units to reach multiple sources of revenue and exploit them for the benefit of local development processes on an ongoing basis and with a high and effective commitment to achieve quality in commodity and service products.

Authors Declaration:

Conflicts of Interest: None

-We Hereby Confirm That All The Figures and Tables In The Manuscript Are Mine and Ours. Besides, The Figures and Images, which are Not Mine, Have Been Permitted Republication and Attached to The Manuscript.

- Ethical Clearance: The Research Was Approved by The Local Ethical Committee in The University.

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